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ABSTRACT

In a study conducted to obtain information on the corporate exit interview, the personnel directors of 500 major American corporations were asked to indicate the purposes and goals of the interviews, their degree of formality, and their content. In addition, the respondents were asked to assess their interviewing system and describe the nature of training for the interviewers. Of the 241 responses, most indicated that exit interviews were part of their corporate policy and that the primary purposes of the interview were to determine why the employee was leaving and to locate sources of job dissatisfaction. The first goal of the interview was to discover conditions that might affect other employees and assess employee sentiment about working conditions. Only a slight majority considered their interviews to be formal. The majority felt that exit interviews were only somewhat accurate and that their system of interviews was only moderately satisfactory. The findings suggest that organizations recognizing the value of the exit interview must train interviewers (1) to obtain clear, accurate information, (2) to analyze the data on an aggregate level, rather than an individual one, and (3) to discern overall trends as well as individual problems. (HTH)

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AN EXAMINATION OF CURRENT EXIT INTERVIEWING PRACTICES IN MAJOR AMERICAN CORPORATIONS

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While employee turnover may be often desirable, it is, generally speaking, a costly phenomenon. Obvious direct costs of this attrition include the expense of the recruiting process, the time spent in training a new employee, and the concomitant loss of an indoctrinated employee, the increased work demands placed upon others during the training period, and the salary given to the new employee during the initial non-productive training period. More indirect costs might include the impression given to potential new employees if they observe a high turnover rate and the morale of personnel who see individuals leaving around them. The exit interview provides valuable information for management in terms of operational procedures and employee attitudes which, when acted upon, can presumably result in the reduction of personnel turnover.

The purpose of this research was descriptive, specifically, a survey of major American corporations to determine current exit interviewing practices.[1] The sample of companies utilized in this study was obtained from the Fortune 500 listing of top corporations (in terms of sales).[2] Questionnaires were mailed to the Director of Personnel in each of the 500 corporations; a follow-up mailing was executed some time later to secure more responses. Of the 500 questionnaires mailed, 241 were returned, or 48%. The following report summarizes the results of these returns.[3]

Type of Organizations Surveyed

The 241 responding corporations, primarily manufacturing firms, reported: 1) approximately evenly as being public (47%) or private (53%); 2) being rather equally representative of various possible organizational sizes, in terms of the number of employees (under 1000, 18%; 1000-4,999, 17%; 5,000-9,999, 17%;

10,000-14,999, 14%; 15,000-19,999, 8%; 20,000 or more, 26%); and 3) generally as having more professional than non-professional employees (67%).

Current Exit Interviewing Practices

The majority of respondents (92%) indicated that exit interviews are part of their corporate policy.[4] When asked to rank order possible purposes of the exit interview, the personnel directors responded to six factors. The results are reported in Table 1 below, including the response mean and order of ranking. The primary purpose appears to be to determine why the employee is leaving the firm, the second to locate sources of job dissatisfaction, the third to uncover poor personnel practices, the fourth to foster an air of good will about the firm, and the fifth to express appreciation, on behalf of the firm, for the employee's work. The sixth possibility, to persuade the employee to change his mind about leaving the firm, was reported by 58% of the firms as being unapplicable, by 26% of the firms as a number six ranking.

(Table 1 about here)

In terms of overall goals of the exit interview, organizational respondents were provided five possibilities, with instructions to mark those factors which applied in their own context. The results are reported in Table 2 below. The number one goal indicated was to discover conditions which might affect other employees and should be remedied, the second to assess employee sentiment about working conditions, the third to gather data as to why some supervisors may be losing more workers than they should, the fourth to determine ways to improve employee morale, and fifth to ascertain whether other companies are providing higher salaries and benefits for similar positions. As one can note by examining the table, the first four factors were marked by at least 75% of the

personnel directors, the fifth by almost 50% of them.

(Table 2 about here)

For only a slight majority of the responding organizations (56%), the exit interview is considered to be formal (as opposed to informal). Generally speaking, the personnel staff conducts the interviews (81%) (immediate supervisor: 3%; both the personnel staff and the immediate supervisor: 16%). For 69% of the companies responding, both voluntary and involuntary terminees are interviewed; for 31%, only the voluntary terminees are interviewed; for none of the companies are only involuntary terminees interviewed. Normally, companies choose to interview both professional and non-professional employees (professional only: 12%; non-professional only: 1%; both professional and non-professional: 87%). The majority (68%) of the reporting organizations interview 81-100% of the voluntary terminating employees, while 17% interview 61-80%, 9% interview 41-60%, 3% interview 21-40%, and 3% interview only 1-20%. Generally speaking, these exit interviews last 16-30 minutes (60%); other companies reported under 5 minutes (9%), 31-45 minutes (24%), and 46-60 minutes (7%).

Content of Exit Interviews

When asked whether the exit interviewer employed a set series of questions in conducting these interviews, 52% of the responding firms answered affirmatively, 48% negatively. When asked the percentage of directive and non-directive questions utilized in these interviews, 70% of the respondents indicated that they tend to be more non-directive than directive.

In order to assess content areas of their exit interview, the companies were given six potential areas and asked to check which ones applied. The results are reported in Table 3 below. The number one area mentioned was

satisfaction/dissatisfaction with employee growth potential (promotions, pay raises), the number two area related to satisfaction/dissatisfaction with immediate supervisor and satisfaction/dissatisfaction with working conditions, the number three area related to satisfaction/dissatisfaction with level of responsibility, the number four area was satisfaction/dissatisfaction with company policy, and the number five area (very distant to the others) related to external factors (personal situation). With the exception of the number five area, a minimum of 80% of the respondents indicated that they cover the content areas provided in their interviews.

(Table 3 about nere)

When asked how accurate they felt interviewee responses were, the personnel directors responded as follows: 1) 20%, very accurate; 2) 78% somewhat accurate; 3) 2%, don't know; 4) 0% somewhat inaccurate; and 5) 0% very inaccurate. Clearly, the majority felt that interviewee responses are somewhat accurate.

As indicated in Table 4 below, a variety of responses were generated when the personnel directors were asked what happened with the information obtained through the exit interviews; they were told to check those options which applied to their organization. The majority indicated that the data is dealt with on an individual case-by-case basis or reported to management. Fewer indicated that the data is dealt with on an aggregate level or reported to the immediate supervisor involved.

(Table 4 about here)

The majority of these corporations (85%) do not make follow-up assessments after termination to determine employee opinions. Of those which do (15%), the majority (61%) send questionnaires to the home of the employee some time after

his termination. As to when this occurs, three time periods were given by respondents in connection with the termination: 30 days, 6 months, or 1 year.

Evaluation of Exit Interviewing System

The personnel directors were asked to indicate on a seven-point scale how satisfactory they felt the current exit interviewing system is in their organization. The results are reported in Table 5 below. Clearly, the majority believe their systems are moderately satisfactory.

(Table 5 about here)

The problems which respondents reported in the exit interviewing system in their organization are categorized in Table 6 below. The principle responses (in order of magnitude) were: 1) insufficient follow-up of identified problem areas; 2) getting employees to be truthful; and 3) getting exit interviews on all employees. As one can note by looking at the table, 15% of the responding personnel directors indicated that there are no problems with their systems.

(Table 6 about here)

The personnel directors were asked to describe the strengths and weaknesses of exit interviewing in general. Their responses to both are categorized in Table 7 below. The majority seem to feel that the greatest strength in the exit interview is in the identification of problems in specific organizational areas; the greatest weakness identified by the respondents appears to be in getting the terminees to provide open and truthful answers.

(Table 7 about here)

The majority of the responding firms do not formally evaluate their exit interviewing system regualrs (74%). The following evaluation frequencies were reported for the 26% that did perform the evaluations : 1) quarterly, 2; 2) six months, 1; 3) yearly, 8; 4) two years, 3; 5) three years, 2; 6) ongoing, 3; 7) periodically, 4; and 8) as needed, 2.

Training for Conducting Exit Interviews

When asked if their organizations train their employees to conduct exit interviews, 20% of the personnel directors responded affirmatively and 80% responded negatively. Of those responding negatively, 59% indicated that they feel the organization should do so and 41% feel that it should not.

For organizations providing this training, time periods ranging from 30 minutes to 3 days were reported. In terms of training format, respondents were given four options (participant simulations, films, lecture, handouts) and were asked to check those which applied to their organization. The results were reported in Table 8 below. For 77% of the organizations providing it, this training was conducted by the personnel staff; for the remainder, by other professionals.

(Table 8 about here)

Conclusions

The purpose of this research has been to describe some of the current exit interviewing practices in the major American corporations. Among the major conclusions one can draw from this research would be:

1. Corporations see the primary purpose of exit interviewing to be to determine why the employee is leaving the firm, then to locate sources of job dissatisfaction, to uncover poor personnel practices, to foster an air of good will about the firm, and to express appreciation, on behalf of the firm, for the employee's work, respectively. Apparently, some corporations see making an effort to change the employee's mind about leaving the firm a purpose but rank it below the others mentioned; most view it as not appropriate.
2. At least 75% of American corporations view the overall goals of such interviews as being to discover conditions which might affect other employees and should be remedied, to assess employee morale, to gather data as to why some supervisors are losing more workers than they should, and to determine ways to improve employee morale. About one-half perceive an additional goal, to ascertain whether other companies are providing higher salaries and benefits for similar positions.
3. Generally speaking, members of the personnel staff conduct these interviews, they are performed for both voluntary and involuntary terminees, for both professional and non-professional employees, for 81-100% of the voluntary terminees, with the duration being 16-?0 minutes.
4. For about one-half of the corporate exit interviewers, a set of questions is used. Generally speaking, the interviewing mode is more non-directive than directive. Insofar as topic areas are concerned, almost every corporation focuses upon employee growth potential (promotions, pay raises); for at least 80% of the corporations additional topic areas are satisfaction/dissatisfaction with working conditions, the immediate supervisor, the level of responsibility, and company policy; for about one-half of the corporations external factors (personal situations) are discussed.

5. A large majority of American corporations feel exit interviewee responses are somewhat accurate. The data resulting from these interviews is normally dealt with on an individual case-by-case basis and reported to management. Follow-up assessments some time after termination are rarely made.
6. Corporations, generally speaking, find their exit interviewing systems moderately satisfactory. The majority never formally evaluate these systems. Not surprisingly, the principal strength of exit interviewing in general, as perceived by American corporations, lies in the identification of problem areas, the principal weakness in getting terminees to be open and truthful. The major problem cited by corporations in their own systems lies in their inability to follow up on data relating to problem areas identified.
7. While the majority of corporations do not provide training for their exit interviewers, many feel that they should. For those that do provide the training, it is normally conducted by members of the personnel staff, the format for which involves participant simulations, lectures, and handouts (exercises).

Organizations seem to recognize the value of the exit interview. But merely recognition and implementation of a system will not produce maximum results. Organizations need to train interviewers to obtain clear, honest and accurate information. They must analyze this data not only on an individual basis, but also on an aggregate level to obtain overall trends as well as individual problems. They must follow up on the resulting data or the data becomes relatively worthless, as well as review their program annually as a precaution against costly mistakes and to safeguard the reliability of their data.

Footnotes

[1]The authors would like to specifically acknowledge the research of Downs and Moscinski (1978) on appraisal interviewing in conceptualizing this study.

[2]Fortune, 1979, 270-288.

[3]A copy of the questionnaire utilized in this study may be obtained upon request from the authors.

[4]One can probably assume that this high percentage correlates with the fact that these corporations chose to respond to this questionnaire because they perform exit interviews. It is difficult to know, obviously, if the 92% can be generalized beyond the 241 respondents to any degree to the 500 corporations to which the questionnaire was mailed.

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TABLE 1

PURPOSES OF THE EXIT INTERVIEW

Purpose	Number of Responses	Mean	Ranked No. 1	Ranked No. 2	Ranked No. 3	Ranked No. 4	Ranked No. 5	Ranked No. 6	Ranked 0 (N/A)	Order of Ranking
To Determine Why the Employee is Leaving the Firm	207	1.48	149	25	23	5	3	0	2	1
To Express Appreciation, on Behalf of the Firm, for Employee's Work	196	4.25	8	7	6	57	61	10	47	5
To Foster Air of Good Will About Firm	196	4.02	5	8	23	68	49	4	39	4
To Locate Sources of Job Dissatisfaction	212	1.91	51	134	21	2	2	0	2	2
To Uncover Poor Personnel Practices	206	2.90	13	33	122	20	10	0	8	3
To Persuade Employee to Change His Mind About Leaving Firm	188	5.22	2	1	2	17	8	49	109	N/A

n = 212

TABLE 2

OVERALL ORGANIZATIONAL GOALS FOR EXIT INTERVIEW

Factor	Number of Companies	Percentage
To Gather Data as to Why Some Supervisors May be Losing More Workers than they Should	178	83%
To Determine Ways to Improve Employee Morale	168	78%
To Discover Conditions Which Might Affect Other Employees and Should be Remedied	211	98%
To Assess Employee Sentiment About Working Conditions	185	86%
To Ascertain Whether Other Companies are Providing Higher Salaries and Benefits for Similar Position	102	47%

n = 215

TABLE 3

EXIT INTERVIEW CONTENT AREAS

Factor	Number of Companies	Percentage
Satisfaction/Dissatisfaction With Working Conditions	181	89%
Satisfaction/Dissatisfaction With Immediate Supervisor	181	89%
Satisfaction/Dissatisfaction With Level of Responsibility	173	85%
Satisfaction/Dissatisfaction With Company Policy	168	83%
Satisfaction/Dissatisfaction With Employee Growth Potential (promotions, pay raises)	197	97%
External Factors (personal situation)	115	56%

n = 203

TABLE 4

UTILIZATION OF EXIT INTERVIEW DATA

Outcomes	Number of Companies	Percentage
Dealt With on an Individual Case-by-Case Basis	137	67%
Dealt With on an Aggregate Level	53	26%
Reported to Immediate Supervisor Involved	58	28%
Reported to Management	109	53%

n = 205

TABLE 5

SATISFACTION WITH SYSTEM

Fulfillment of Purpose	Number of Responses	Percentage
Very Satisfactory	24	12%
Moderately Satisfactory	126	62%
Slightly Satisfactory	35	17%
Neutral	13	6%
Slightly Dissatisfactory	4	1%
Moderately Dissatisfactory	1	1%
Very Dissatisfactory	1	1%

n = 204

TABLE 6

PROBLEMS ENCOUNTERED WITH THE EXIT INTERVIEWING SYSTEM

Problem	Number of Companies	Percentage
Insufficient Follow-up of Identified Problem Areas	24	22%
Getting Employees to be Entirely Open and Truthful	17	16%
Not Administered Consistently Throughout the Organization	12	11%
No Problems	16	15%
Getting Exit Interviews on All Employees	17	15%
No Systematic Way of Summarizing Responses	10	9%
Supervisors Should be More Involved in the Process	6	5%
Communication	1	1%
Needs to be Better Organized	3	2%
Need More Executive Level Support	3	3%
No Standard Format for Training Interviewers	1	1%

n = 110

TABLE 7

STRENGTHS AND WEAKNESSES OF EXIT INTERVIEWING

Strengths	Number of Companies	Percentage
Identifies Problems in Specific Areas/Provides "Trends" Information	33	62%
Gives Opportunity to Employee "To Have Say"	4	8%
Provides Forum Outside of Department for Departing Employee	2	4%
Gets to Reasons Why Employees are Leaving	3	5%
Records Circumstances Surrounding Each Termination	1	2%
Employee Leaves on Good Terms	1	2%
Provides Information About Poor Management Policies, Supervisors, Salaries, Morale, etc.	8	15%
Provides Information to Help Keep Policies Competitive	1	2%
	n = 53	

Weaknesses	Number of Companies	Percentage
Getting Employees to be Entirely Open and Truthful	30	45%
Difficulty in Determining Accuracy of Information	4	6%
Not Sufficient Follow-up on Solving Identified Problems	12	19%
Not Administered Consistently Throughout Organization	5	8%
Employees Only Give One Side of Story	2	3%
No Weaknesses	4	6%
Attitudes at Time of Exit Exaggerate Conditions	1	2%
Sifting Truth From Emotional Response	2	3%
Often "After the Fact"	1	1%
Artificial Environment	1	1%
Some Managers Find the Results of Interviews Hard to Cope With	1	1%
Time Involvement	3	5%
	n = 65	

TABLE 8

CORPORATE EXIT INTERVIEWING TRAINING FORMAT

Format	Number of Companies	Percentage
Participant Simulations	21	78%
Film(s)	2	7%
Lecture	18	67%
Handouts (Exercises)	14	52%

n = 27